

**LASALLE ASSOCIATION FOR THE
DEVELOPMENTALLY DELAYED, INC.
JENA, LOUISIANA**

Financial Statements & Auditor's Report

**June 30, 2010
& for the Year Then Ended**

**With Comparative
Totals at June 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/20/11

**LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED,
INC.**

TABLE OF CONTENTS

SECTION I – FINANCIAL STATEMENTS

Independent Auditor's Report	2
Statement of Financial Position	3
Statement of Activity and Net Assets	4
Statement of Cash Flows	5
Notes to the Financial Statement	6-9

SECTION II – Supplemental Information

Schedule of Director's Compensation	10
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SECTION III – INTERNAL CONTROL AND COMPLIANCE

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	11 - 12
Schedule of Findings and Questioned Cost	13 - 14

SECTION I
FINANCIAL STATEMENTS
REPORT ON FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

LaSalle Association For The Developmentally Delayed, Inc.
Jena, Louisiana

We have audited the accompanying statement of financial position of the LaSalle Association For The Developmentally Delayed, Inc., (LADD) (a non-profit corporation) as of June 30, 2010, and the related statement of activities, net assets and cash flows for the year then ended. These financial statements are the responsibility of the LADD's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the LADD, as of June 30, 2010 and the results of its operations and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2011, on our consideration of the LADD's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedule of supplemental information and 2009 comparative information is presented for purposes of additional analysis and is not a required part of the financial statements of LADD. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

John R. Vercher PC

March 10, 2011
Jena, Louisiana

MEMBER
-----AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS-----
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010
(With Comparative Totals at June 30, 2009)

	General Fund	Work Project Fund	LADD Industries	June 30, 2010 Total	2009 Total
ASSETS					
Cash on hand and in banks	\$ 212,273	\$ 42,988	\$ 126,282	\$ 381,523	\$ 257,852
Cash in savings and certificates of deposit	106,534	112,208	87,531	306,273	301,166
Accounts receivable					
Supports and waivers	26,158			26,158	49,560
Group home	4,682			4,682	4,575
Sales and services		1,000	2,185	3,185	4,348
Inventory			9,974	9,974	11,744
Fixed assets (Note 3)	52,476	210	32,101	84,787	84,749
Prepaid insurance	4,008			4,008	3,982
Total Assets	\$ 406,131	\$ 156,406	\$ 258,053	\$ 820,590	\$ 717,976
LIABILITIES AND NET ASSETS					
Liabilities					
Payroll taxes payable					
Total Liabilities	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net Assets					
Unrestricted	\$ 406,131	\$ 156,406	\$ 258,053	\$ 820,590	\$ 717,976
Total Liabilities and Net Assets	\$ 406,131	\$ 156,406	\$ 258,053	\$ 820,590	\$ 717,976

See accompanying auditor's report and notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF ACTIVITY AND NET ASSETS
YEAR ENDED JUNE 30, 2010
(With Comparative Totals for the Year Ended June 30, 2009)

	General Fund	Work Project Fund	LADD Industries	June 30, 2010 Total	2009 Total
SUPPORT					
State contracts (Note 4)	\$ 355,058			\$ 355,058	\$ 370,584
LaSalle School Interagency	6,233			6,233	4,596
Group Home	29,532			29,532	20,089
Contributions and memberships	1,765			1,765	1,780
Federal Funds - Grants	28,942			28,942	
Total Support	<u>\$ 421,530</u>			<u>\$ 421,530</u>	<u>\$ 397,149</u>
REVENUE					
Work project activities		\$ 64,155		\$ 64,155	\$ 60,677
Sales - LADD Industries (Note 4)			\$ 176,969	176,969	76,548
Insurance reimbursement				0	
Other income	\$ 13,883	6,061	649	20,593	14,809
Interest	1,786	1,707	2,003	5,496	6,708
Total Revenue	<u>\$ 15,669</u>	<u>\$ 71,923</u>	<u>\$ 179,621</u>	<u>\$ 267,213</u>	<u>\$ 158,742</u>
Total Support and Revenue	<u>\$ 437,199</u>	<u>\$ 71,923</u>	<u>\$ 179,621</u>	<u>\$ 688,743</u>	<u>\$ 555,891</u>
COST OF GOODS SOLD (Note 5)			<u>\$ 118,135</u>	<u>\$ 118,135</u>	<u>\$ 60,641</u>
EXPENDITURES					
Salaries and client wages	\$ 213,621	\$ 52,920	\$ 8,749	\$ 275,290	\$ 291,220
Transportation	13,207	997		14,204	15,935
Rent	14,400			14,400	14,400
Insurance	39,412	8,243	2,308	49,963	43,671
Payroll taxes	17,417	4,172	736	22,325	21,745
Utilities	6,745		2,401	9,146	9,044
Training	1,741			1,741	1,805
Office and postage	6,254		5	6,259	4,220
Depreciation	27,401	210	1,293	28,904	27,806
Maintenance, repair and cleaning	7,988		1,113	9,101	10,835
Hospitalization	8,229			8,229	8,008
Equipment and supplies	419	1,047		1,466	1,766
Telephone	4,340			4,340	3,819
Travel	1,225		23	1,248	1,196
Professional fees	5,710			5,710	4,823
Other - OMR reimbursible	1,816			1,816	6,583
Other - Non-OMR reimbursible	12,137	936	779	13,852	9,858
Total Expenditures	<u>\$ 382,062</u>	<u>\$ 68,525</u>	<u>\$ 17,407</u>	<u>\$ 467,994</u>	<u>\$ 476,734</u>
Excess (Deficit) of Support and Revenue over Expenditures	<u>\$ 55,137</u>	<u>\$ 3,398</u>	<u>\$ 44,079</u>	<u>\$ 102,614</u>	<u>\$ 18,516</u>
Transfer In					
Transfer Out	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net Increase in Net Assets	<u>\$ 55,137</u>	<u>\$ 3,398</u>	<u>\$ 44,079</u>	<u>\$ 102,614</u>	<u>\$ 18,516</u>
Net Assets, Beginning of Year	<u>350,994</u>	<u>153,008</u>	<u>213,974</u>	<u>717,976</u>	<u>699,460</u>
Net Assets, End of Year	<u>\$ 406,131</u>	<u>\$ 156,406</u>	<u>\$ 258,053</u>	<u>\$ 820,590</u>	<u>\$ 717,976</u>

See accompanying auditor's report and notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
STATEMENT OF CASH FLOWS
TOTAL - ALL FUNDS
YEAR ENDED JUNE 30, 2010
(With Comparative Totals for the Year Ended June 30, 2009)

	June 30,	
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 102,614	\$ 18,516
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	28,904	27,806
(Increase) decrease in:		
Accounts receivable	24,456	(9,377)
Inventory	1,770	(7,876)
Payroll taxes payable		(801)
Prepaid insurance	(25)	(3,982)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 157,719</u>	<u>\$ 24,286</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	<u>\$ (28,942)</u>	<u>\$ (10,240)</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>\$ (28,942)</u>	<u>\$ (10,240)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of debt	<u>\$ 0</u>	<u>\$ 0</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>\$ 0</u>	<u>\$ 0</u>
NET INCREASE (DECREASE) IN CASH	<u>\$ 128,777</u>	<u>\$ 14,046</u>
CASH AT BEGINNING OF YEAR	<u>559,018</u>	<u>544,972</u>
CASH AT END OF YEAR	<u><u>\$ 687,795</u></u>	<u><u>\$ 559,018</u></u>
SUPPLEMENTAL DISCLOSURES		
Interest paid	\$ 0	\$ 0

See accompanying auditor's report and notes to financial statements.

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

NOTE 1 - LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED

LaSalle Association for the Developmentally Delayed, Inc., (LADD) was organized in 1976 to promote the general welfare of retarded citizens wherever they may be, and, specifically, to provide as normal a work and learning atmosphere in the least restrictive environment for retarded adults in LaSalle Parish. The Association receives funding for services provided to developmentally delayed adults from the State of Louisiana, Office for Citizens with Developmental Disabilities (OCDD), the Louisiana Medicaid Program, the LaSalle Parish School Board and a local group home. They also receive compensation for services for the general public under its Work Project fund and sales in the Ladd Industries fund and receive funds for other activities from memberships and contributions. In 1991, the Association began operations of LADD Industries to provide further supported employment opportunities for its clients.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to LADD, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund and, accordingly, all financial transactions have been recorded and reported in the following fund groups:

General Fund - Resources are provided under several contracts from the State of Louisiana through their Medicaid Supports and NOW Waivers programs, the LaSalle Parish School Board and a local group home, based on the days or types of services provided, and by other sources such as interest, contributions, and membership dues. Expenditures are of a nature of those specified by the State in its *Guidelines for Allowable Costs* from the OCDD, except as noted hereafter.

Work Project Fund and LADD Industries Fund - Resources are provided as

fees for services performed by or sales of products made by the clients and interest and are used to pay wages to the clients and other costs as needed for these services, including the purchase of the LADD Industries building.

B. Income Tax Status

LADD qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for income taxes.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents

D. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates that affect reported amounts. Actual results could differ from those estimates.

NOTE 3 - FIXED ASSETS AND DEPRECIATION

During this fiscal year and for past years, LADD received several vans through the Urban Mass Transit Act grant, Section 16(b)(2) program, through the Louisiana Department of Transportation (DOTD). LADD has capitalized their 20 to 30% matching portions of the vans in addition to the 70 to 80% in-kind grant funds received. The DOTD holds a reversionary interest in the vans until such time they determine to release the interest. Fixed assets consist of these vans and other small items. Ownership of all fixed assets in the general fund of LADD would revert to the Department of Health and Hospitals, OCDD, if LADD were to cease to function. Depreciation is provided on a straight-line basis over various lives recommended by the OCDD. There were additions to the general fund fixed assets in the amount of \$28,942 in the year ended June 30, 2010. This is the UMTA portion of a van placed in service as of July 1, 2009.

There are also fixed assets owned by Work Project in the amounts of \$5,550 in 2010 and 2009 respectively and by LADD Industries in the amount of \$80,272 in 2010 and 2009, including the LADD Industries building and real estate in the amount of \$54,735. Depreciation on these assets is provided on the straight-line basis over their useful life.

	Balance June 30, 2009	Additions	Retirements	Balance June 30, 2010
General Fund	\$ 119,415	\$ 36,177		\$ 155,592
Work Project Fund	5,550			5,550
Ladd Industries	<u>80,272</u>			<u>80,272</u>
	\$ 205,237	\$ 36,177		\$ 241,414
Less Accumulated Depreciation	<u>127,723</u>	<u>28,904</u>		<u>156,627</u>
	<u>\$ 77,514</u>	<u>\$ 7,273</u>	<u>\$ -0-</u>	<u>\$ 84,787</u>

NOTE 4 - SUPPORT AND REVENUE

State support in the general fund was as follows:

Medicaid Supports and Now Waivers Programs \$355,058

There are also consumers accepted through an interagency agreement with the LaSalle Parish School Board and by contract with a group home facility in Jena.

Ladd Industries has been involved in the assembly of U S Government Wash Kits (through the aid of the National Industries for the Severely Handicapped Organization), assembly of admission kits for sale to local hospitals, the resale of clothing and other items, and fabrication of crawfish nets for retail and wholesale sale.

NOTE 5 - COST OF GOOD SOLD

Cost of good sold is made up of the following:

Beginning inventory		\$ 11,744
Add: Cost of production		
Labor	\$ 18,428	
Materials	87,050	
Other	<u>7,674</u>	<u>113,152</u>
Total goods available for sale		\$124,896
Less: Ending inventory		<u>9,974</u>
Cost of goods sold - manufactured items		\$114,922
Items bought for resale		<u>3,213</u>
Total cost of goods sold		<u>\$118,135</u>

NOTE 6 - PENSION PLAN

LADD does not have a retirement plan for its employees, other than that provided by Social Security.

NOTE 7 - LITIGATION

LADD is not involved in any litigation as of June 30, 2010.

NOTE 8 - CONCENTRATION OF CREDIT RISK FOR CASH DEPOSITS

As of June 30, 2010 the Association had deposits on hand with Southern Heritage Bank in the amount of \$381,522 (bank balance) in various checking accounts. The amount of FDIC insurance maintained by the bank for these accounts is \$250,000 leaving \$131,522 of excess deposits over insurance. The Board of Directors reviews the Bank's financial statements each year to inform themselves as to the financial stability of the Bank. This review took place at the February 2010 meeting.

During the past fiscal year, the Association transferred funds to three other banks in the area to help reduce this concentration.

SECTION II
SCHEDULE OF
DIRECTOR'S COMPENSATION

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.
SCHEDULE OF DIRECTOR'S COMPENSATION
YEAR ENDED JUNE 30, 2010

Cleveland Riser, President

\$ 2,100

SECTION III
REPORT ON INTERNAL CONTROL
AND COMPLIANCE

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

LaSalle Association For The Developmentally Delayed, Inc.
Jena, Louisiana

We have audited the accompanying basic financial statements of the LaSalle Association For The Developmentally Delayed, Inc., as of and for the year ended June 30, 2010, which collectively comprise the corporation's basic financial statements and have issued our report thereon dated, March 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the LaSalle Association For The Developmentally Delayed, Inc.'s internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

MEMBER
—AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS—
SOCIETY OF LOUISIANA CERTIFIED PUBLIC ACCOUNTANTS

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the LaSalle Association For The Developmentally Delayed, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standard which is listed below.*

2010-C-1 Annual Filing of Financial Statements (Noncompliance)

The LaSalle Association For The Developmentally Delayed, Inc.'s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned cost. We did not audit the LaSalle Association For The Developmentally Delayed, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

John R. Vercher PC

March 10, 2011
Jena, Louisiana

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COST
For the Year Ended June 30, 2009**

We have audited the basic financial statements of the LaSalle Association For The Developmentally Delayed, Inc., as of and for the year ended June 30, 2010 and have issued our report thereon dated March 10, 2011. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2010 resulted in an unqualified opinion.

Section I - Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses ☐ Yes ☒ No Other Conditions ☐ Yes ☒ No

Compliance

Compliance Material to Financial Statements ☒ Yes ☐ No

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses ☐ Yes ☐ No Other Conditions ☐ Yes ☐ No

Type of Opinion On Compliance Unqualified ☐ Qualified ☐
For Major Programs Disclaimer ☐ Adverse ☐

Are the finding required to be reported in accordance with Circular A-133, Section .510(a)?

☐ Yes ☐ No

c. Identification Of Major Programs:

<u>CFDA Number (s)</u>	<u>Name Of Federal Program (or Cluster)</u>
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Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a 'low-risk' auditee, as defined by OMB Circular A-133? ☐ Yes ☐ No

LASALLE ASSOCIATION FOR THE DEVELOPMENTALLY DELAYED, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)

For the Year Ended June 30, 2010

Section II Financial Statement Findings Required To Be Reported In Accordance With GAGAS

2010-C-1 Annual Filing of Financial Statements

Condition: *The Entity did not timely file their financial statements with the legislative auditor.*

Criteria: LSA-RS 24:514, LSA-RS 33:463, and/or LSA-RS 39:92, as applicable, require that governmental units file their financial statements annually with the Legislative Auditor's Office within six months of the entity's year end closing.

Cause of Condition: Fee accountant not having books ready in a timely manner.

Effect of Condition: Compliance violation.

Recommendation: The Entity should begin filing its financial statements within six months of its year end.

Client Response & Corrective Action: The Entity will begin filing its financial statements within six months of its year end closing.

Contact Person: Sherry Dillard

Anticipated Completion Date: June 30, 2011

Section III – Internal Control

No items to report.

Section IV Federal Awards Findings and Questioned Costs

Not applicable.